Innovation and Science

BUSINESS PLAN 2005-08

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2005 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 21, 2005 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

[Original Signed]

Victor Doerksen, *Minister of Innovation and Science*
March 24, 2005

THE MINISTRY

The Ministry includes:

- Department of Innovation and Science
- Alberta Science and Research Authority and its associated institutes, including: Alberta Agricultural Research Institute; Alberta Energy Research Institute; and Alberta Forestry Research Institute
- Alberta Research Council Inc.
- iCORE Inc. (Alberta Informatics Circle of Research Excellence)

The Minister of Innovation and Science is responsible for legislation pertaining to the Alberta Heritage Foundation for Medical Research and the Alberta Heritage Foundation for Science and Engineering Research (operating under the trade name "Alberta Ingenuity Fund").

105-04944/

VISION

Alberta prospers through innovation.

MISSION

To enhance the contribution of innovation, science, research and development and its application to the sustainable prosperity and quality of life of all Albertans.

CORE BUSINESS: INNOVATION

Government's Strategic Plan, *Today's Opportunities, Tomorrow's Promise*, has identified "Unleashing Innovation" as a key area of opportunity on which government efforts will be focused over the next 20 years. Innovation and Science is leading and championing Government of Alberta efforts to unleash innovation. Ministry activities are grouped under a single core business – Innovation.

Ministry efforts are focused on:

- Accelerating innovation in Alberta, with emphasis on increasing commercialization of research, and industry growth.
- Building the capability and capacity of the research system.
- Building research excellence in the priority areas of energy, information and communications technology (ICT), and life sciences.
- Encouraging and supporting innovation within the Government of Alberta.

During 2005-08, Innovation and Science will lead a coordinated effort with other ministries to implement the approved strategy, "Accelerating Innovation in Alberta." Endorsement of the recommendations reflects a commitment by government to strategically invest in the knowledge-based economy by adopting a policy target to move toward investing up to 5% of the Government of Alberta's annual budget in support of its innovation agenda, over the next ten years.

These efforts will position Alberta to capitalize on the opportunities in the knowledge economy.

The Ministry is building a foundation for the long-term prosperity of the province by building excellence in priority areas, including 7 of the 8 priority areas identified in the value-added strategy, *Securing Tomorrow's Prosperity*. Over the last several years, the Ministry collaborated with partners to develop a number of strategies that serve to strengthen Alberta's innovation capacity:

- *Accelerating Innovation in Alberta*
- *The Alberta Energy Innovation Strategy*
- *Growing our Future: An Integrated Life Sciences Strategy for Alberta*
  - *The Agriculture Research and Innovation Strategic Framework* (developed in partnership with Agriculture, Food and Rural Development)
  - *The Forestry Research Strategic Plan*
- *Information and Communications Technology: A Strategy for Alberta*

The five goals contained in this business plan reflect the implementation of these strategies.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

LINK TO 20-YEAR STRATEGIC PLAN

Innovation and Science activities support the areas of opportunity identified in *Today's Opportunities, Tomorrow's Promise*.

Opportunity 1: Unleashing Innovation

This business plan reflects strategies to strengthen Alberta's capacity for innovation, with an emphasis on: building the capability and capacity of Alberta's research system; building excellence in three priority areas (energy, ICT and life sciences); developing, attracting and retaining highly qualified professionals; encouraging technology commercialization; and fostering the growth of knowledge-based industries.

Opportunity 2: Leading in Learning

This business plan emphasizes "investing in people" as the key resource for future prosperity. Supporting programs for young citizens, attracting and retaining world class researchers and entrepreneurs, providing financial and infrastructure support for graduate students and others training to become knowledge workers, and celebrating lifelong learning opportunities and achievements will contribute to the success of learning as a key component in achieving tomorrow's promise.

Opportunity 3: Competing in a Global Marketplace

Innovation is a key for success in the global marketplace. This business plan focuses on strengthening Alberta's capacity for innovation to enhance long-term economic stability and global competitiveness.

LINK TO MEDIUM-TERM STRATEGIES

Innovation and Science is a lead ministry for the following Medium-Term Strategies:

- *Accelerating Innovation in Alberta*
- *Alberta Energy Innovation Strategy*
- *Growing Our Future: An Integrated Life Sciences Strategy for Alberta*

Innovation and Science activities support the objectives of the following Medium-Term Strategies:

- *Climate Change Strategy*
- *Water for Life: Alberta's Strategy for Sustainability*
- *Rural Development Strategy*

LINK TO OTHER MULTI-DEPARTMENT STRATEGIES

Innovation and Science is also a lead ministry for the following multi-department strategies:

- *Securing Tomorrow's Prosperity* (value-added strategy)
- *Agriculture Research and Innovation Strategic Framework*
- *Forestry Research Strategic Plan*
- *Information and Communications Technology: A Strategy for Alberta*

LINK TO GOVERNMENT OF ALBERTA BUSINESS PLAN GOALS

This business plan is aligned with and directly supports the achievement of Goal One of the 2005-08 Government of Alberta Strategic Business Plan:

Goal 1: Alberta will have a diversified and prosperous economy.

Ministry activities aim at growing the knowledge-based economy in Alberta and adding value to important resource-based industries like energy, agriculture and forestry, ensure Alberta's long-term prosperity.

The activities outlined in this business plan also support the achievement of the following Government of Alberta goals:

Goal 2: Albertans will be well prepared for lifelong learning and work.

Various ministry programs support the training of graduate students who will become tomorrow's researchers and important participants in a highly qualified workforce needed to support innovation and create opportunities.

Goal 3: Alberta's international competitiveness will be enhanced.

Innovation is a critical source of international economic competitiveness. Ministry efforts are focused on strengthening Alberta's capacity for innovation.

Goal 5: Albertans will be healthy.

The Ministry provides support for health related research through investments in basic research infrastructure. Human health (including the safety of the food supply) is an important component of *Growing Our Future: An Integrated Life Sciences Strategy for Alberta*.

Goal 11: The high quality of Alberta's environment will be sustained..

The Ministry supports research activities aimed at improving Alberta's environment including climate change research and the alignment of current water research activities in support of the *Water for Life* Strategy.

SIGNIFICANT CHALLENGES AND OPPORTUNITIES

Challenges:

- Alberta is a player in an intensely competitive global economy. Improving Alberta's innovation capacity is critical to ensuring the province's long-term economic competitiveness and quality of life.

Source: Alberta Economic Development. Based on comparison with top performers in Canada, the U.S.A., and Europe. Comparison jurisdictions were chosen on the basis of strong relative economic and innovation performance, and size and structural similarities with Alberta.

Opportunities:

- The Government of Alberta has put a clear priority on developing value-added sectors of the economy. Ministry activities are aligned with government's value-added strategy, *Securing Tomorrow's Prosperity*.
- Making investments in priorities that will build capacity for long-term prosperity in energy, ICT and life sciences.
- Responding to provincial initiatives reflected in the government's Medium-Term Strategies including: *Water for Life: Alberta's Strategy for Sustainability* and the *Climate Change Strategy*.
- Building on Alberta's strengths in priority areas. Alberta is well positioned to leverage federal investment in support of provincial priorities.
- Building on the capability of post-secondary institutions to develop, attract and retain highly skilled people needed to support the growth of a knowledge-based economy in Alberta.
- Encouraging greater industry investment in research and innovation. Industry plays a critical role in the innovation system, taking new ideas and turning them into new products, processes and services in the global marketplace.
- Ensuring that the appropriate infrastructure is in place to support applied research and successful commercialization of new products and services.
- Bringing together the right mix of management mentorship and access to capital to encourage and sustain new entrepreneurial ventures.

Only through addressing these challenges and embracing the opportunities will Alberta truly unleash its innovation potential and enhance Albertans' quality of life.

STRATEGIC PRIORITIES 2005-08

Unleashing Innovation

The Ministry will champion and lead efforts to "Unleash Innovation" in support of the Government of Alberta's 20-Year Strategic Plan.

Linkage:		
	Goal 1	Implement the approved strategy, "Accelerating Innovation in Alberta".
	Goal 3	Implement the *Alberta Energy Innovation Strategy*, through the establishment of the EnergyINet, a network of public and private sector partners from across Canada working to advance energy innovation.
	Goal 5	Develop a coordinated water research strategy in support of *Water for Life: Alberta's Strategy for Sustainability* to align and coordinate current investments, and guide future investments in water research.
	Goal 5	Establish a Life Sciences Institute to lead the implementation of the approved *Life Sciences Strategy*.
	Goal 2	Enhance collaboration and coordination with the Alberta Heritage Foundation for Medical Research and the Alberta Ingenuity Fund.
	Goal 2	Build the National Institute of Nanotechnology into one of the world's foremost locations for nanotechnology research and commercialization.
	Goal 1	Implement two competitions under the Innovation Program to encourage innovation within the Government of Alberta.
	Goal 4	Establish an ICT Institute.
	Goal 1	Co-champion and support the implementation of the Economic Development and Innovation Initiative.
	Goal 1	Support the implementation of government's value-added strategy, *Securing Tomorrow's Prosperity*.

CORE BUSINESS, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business: Innovation

GOAL ONE

Accelerate innovation

What it means Investments in research result in innovative ideas, products and processes that, if commercialized in Alberta, have the potential to yield significant economic and social benefits for the province. The Ministry is working to create an environment where great ideas are more likely to be developed and brought to market in Alberta, with a focus on: supporting applied research and development; strengthening the technology commercialization system; encouraging business growth in priority sectors; and encouraging innovation within the Government of Alberta.

Key outcomes associated with this goal:

- Increased application and commercialization of energy, ICT, and life sciences research in Alberta.
- Growth in Alberta's ICT and life sciences sectors.
- Increased implementation of innovative ideas and initiatives within the Government of Alberta, that improve service delivery or encourage innovation in the Alberta economy.

Strategies

1.1 Work with partners to support the implementation of the approved strategy, *Accelerating Innovation in Alberta*.

- Work with partners to ensure there are adequate bridging/linking mechanisms to help industry work with the research community to effectively apply knowledge resulting from research activities.
- Work collaboratively with Economic Development and other partners to facilitate appropriate management assistance/mentoring and entrepreneurial skills coaching to start-up and small businesses.
- Position the Alberta Research Council as a key enabler in: supporting the pre-commercial development needs of Alberta business, particularly smaller emerging and start-up companies; providing facilities and expertise to support product testing and development in relevant industry sectors; encouraging firms to commercialize new technology in pursuit of viable global markets, and to improve investment readiness.
- Provide and facilitate the establishment of facilities, equipment, test beds and expertise to help Alberta public research institutions and industry develop and commercialize new products, processes and services, through investment in organizations such as TR*Labs* and the Banff New Media Institute.

1.2 Work with Finance and Economic Development to enhance the competitiveness of Alberta's business environment with respect to encouraging technology commercialization and adoption.

1.3 Work with government departments, industry and research institutions to identify and market business opportunities, attract and encourage seed venture funding from industrial partners, and promote the Alberta Advantage in priority areas.

1.4 Work with partners to encourage expatriates and skilled workers to locate to Alberta.

1.5 Administer the Innovation Program to support Government of Alberta efforts to develop and implement innovative ideas and initiatives that improve service delivery to Albertans or encourage innovation in the Alberta economy.

Performance Measures	Last Actual (year)	Target 2005-06	Target 2006-07	Target 2007-08
1.a Percentage of Government of Alberta Expense used to support innovation.	1.31% (2003-04e)	Increasing up to 5%, as affordable, by 2015.		
1.b Number of Albertans employed in knowledge-intensive (high-tech) companies.	110,000 (2003)	113,300	116,699	120,200
1.c Albertans employed in knowledge-intensive (high-tech) companies as a percentage of Albertans employed in all companies.	6.4% (2003)	6.4%	6.5%	6.6%
1.d Percentage of Canadian venture capital invested in Alberta.	4.45% (2003)	4.5%	5.0%	5.5%
1.e Alberta Business Expenditures on Research and Development ($millions)	$739 (2002)	$770	$801	$834

Sources:
1.a Innovation and Science Annual Innovation Review and Government of Alberta Annual Reports.
1.b Economic Development, Alberta Business Monitor.
1.c Economic Development, Alberta Business Monitor.
1.d Macdonald and Associates Ltd.
1.e Statistics Canada, Service Bulletin Science Statistics.

GOAL TWO

Build research capacity in areas of strategic priority

What it means A critical building block supporting innovation is a strong research capability at Alberta universities, colleges and technical institutes. The Government of Alberta's commitment to supporting scientific excellence, and its focus on strategic research priorities, will ensure that critical mass and capacity is achieved in key areas. Alberta's investments will continue to attract research funding from industry and federal sources, and will result in a number of unique partnerships focused on building the research capacity of Alberta's innovation system. This goal reflects the vital importance of developing, attracting and retaining high quality people who possess the scientific, technical and entrepreneurial skills needed in an innovative, knowledge-based economy.

Key outcomes associated with this goal:

- A skilled workforce to support research and innovation.
- Internationally recognized research capabilities in areas of strategic priority for long-term growth.
- A supportive environment that encourages innovation, collaboration and networks.

Strategies

2.1 Provide support to recruit and retain key scientific personnel at Alberta public research institutions.

2.2 Provide strategically targeted support for Alberta publicly-funded research infrastructure.

2.3 Make investments that strengthen Alberta's science capacity to support energy, ICT and life sciences, and other areas of strategic priority. Examples include nanotechnology, genomics/proteomics, bioinformatics and wireless communications technologies.

2.4 Encourage greater investment in Alberta's research and innovation priorities from industry and federal government sources.

2.5 Work with other government departments, agencies and public institutions to coordinate research and innovation-related investments, policies and programs.

2.6 Work with the Alberta Heritage Foundation for Medical Research and the Alberta Ingenuity Fund to align efforts towards provincial priorities, with an increased focus on technology commercialization.

2.7 Promote science and technology awareness within Alberta, including encouraging youth to enter careers in science and technology.

2.8 Promote Alberta's strengths in science and technology, both nationally and internationally.

2.9 Communicate to Education and Advanced Education needs relative to the skills required to support innovation.

Performance Measures	Last Actual (2003-04)	Target 2005-06	Target 2006-07	Target 2007-08
2.a Total sponsored research revenue attracted by Alberta universities ($ millions)	$583	$606	$630	$663
2.b Total sponsored applied research revenue attracted by Alberta technical institutes and colleges ($ millions)	$1.2	$1.2	$1.2	$1.2

Sources:
2.a Innovation and Science, Research Funding at Alberta Universities 2003-2004 Report.
2.b Innovation and Science.

GOAL THREE 3

Accelerate innovation in the energy sector

What it means Energy, directly or indirectly, accounts for about half of the Alberta economy and contributes to more than 25 per cent of the revenues of the Government of Alberta . The Alberta Energy Research Institute developed the *Alberta Energy Innovation Strategy* to strategically secure Alberta's position for the future – to create value from our energy resources, improve environmental performance and build a strong economy. To support technology advances in the area of energy, the Institute has brought together interested public and private sector partners from across Canada to collaborate in creating and implementing energy innovation programs through the Energy Innovation Network (EnergyINet).

Key outcomes associated with this goal:

- Projects initiated through EnergyINet.
- An integrated energy economy in Alberta.
- Internationally recognized research capabilities in areas of strategic importance.
- Stakeholders share a common vision for achieving a competitive energy supply with a minimal environmental footprint.
- Increased collaboration among energy research performers and energy producers.
- Increased joint investments in energy research by industry, the federal government and Alberta.

Strategies

3.1 Collaborate with stakeholders to support six energy innovation programs in: oil sands upgrading, clean carbon/coal, CO_2 management, improved recovery, alternate and renewable energy, and water management, using EnergyINet as the primary vehicle through which investments are made in Alberta priorities.

3.2 Lead the development of crosscutting initiatives in competitive intelligence, technology transfer/commercialization, capacity building and strategic communications as part of EnergyINet.

3.3 Enhance the capacity for energy innovation through strong university, provincial and federal research organization-based programs and high quality research teams that support the six strategic priority areas.

3.4 Ensure alignment with industry and other government ministries to promote technology advances in energy and to collaborate in the development and implementation of energy innovation programs with other providers within Canada, the United States and elsewhere.

3.5 Support Energy's Innovative Technology Royalty Program and field pilot projects that advance the deployment of new energy technologies.

3.6 Support the development of Energy's strategic plan, *Alberta's Energy Hub*.

3.7 Promote industry collaboration and maintain close working relationships with associations such as the Petroleum Technology Alliance of Canada, the Canadian Clean Power Coalition, the Canadian Oil Sands Network for Research and Development, the Canadian Energy Research Institute, and Climate Change Central.

Performance Measures	Last Actual (2003-04)	Target 2005-06	Target 2006-07	Target 2007-08
3.a Ratio of private and other public investments in energy research to Government of Alberta (GOA) investments in energy research	3.94	2.50	2.50	2.50
3.b Non-GOA Investment in energy research:				
• Non-GOA investment through existing programs ($ millions)	$52.7	$27.0	$23.2	$13.6
• Non-GOA investment through EnergyINet ($ millions)	$0	$8.2	$16.9	$26.0
	$52.7	$35.2	$40.1	$39.6
GOA Investment in energy research:				
• GOA investment through existing programs ($ millions)	$15.1	$13.8	$11.9	$7.0
• GOA investment through EnergyINet ($ millions)	$0	$4.2	$8.7	$13.3
	$15.1	$18.0	$20.6	$20.3
3.c Growth of EnergyINet				
• Number of participating organizations	0	10	15	20

Note:
Different time periods are used to determine the values in "3.a" and "3.b". These values are not directly comparable. The Last Actuals for these measures are higher than the targets as a result of two large dollar value, high-leverage projects that end prior to 2005-06 and one large project that is winding down.

Sources:
3.a Innovation and Science, Strategic Investment Research Database.
3.b Innovation and Science, Alberta Energy Research Institute.
3.c Innovation and Science, Alberta Energy Research Institute.

GOAL FOUR

Accelerate innovation in the information and communications technology sector

What it means Information and communications technology (ICT) is vital to Alberta's economic future and will play a key role in improving all sectors of the Alberta economy. Through iCORE Inc., the Ministry is attracting and growing a critical mass of outstanding researchers and graduate students in computer science, electrical and computer engineering, and other ICT related disciplines.

Key outcomes associated with this goal:

- A skilled workforce to support ICT research and innovation and other sectors of the Alberta economy.
- Internationally recognized research capabilities in areas of strategic importance.
- An environment that supports and encourages innovation in ICT research, through collaborative research, development and technology commercialization.

Strategies

4.1 Complete the work required to establish an ICT institute to guide research and innovation.

4.2 Recruit and fund the best researchers in areas where Alberta can be a global leader, including: broadband networks (including wireless); high performance computing; new computational models to support emerging technologies (genomics, nanotechnology, bioinformatics, etc.); and software and multimedia.

4.3 Encourage industry to fund research chairs at Alberta universities.

4.4 Collaborate with government partners to increase the number of Alberta graduates from ICT related fields of study.

4.5 Invest strategically in ICT research and development infrastructure – such as wireless test beds, research networks, and micro and nano fabrication facilities – that makes Alberta globally competitive.

4.6 Increase collaboration between public research institutions, industry and academia in Alberta and other jurisdictions, to enable strategic investments that enhance Alberta's ICT research and development capability.

Performance Measures	Last Actual (2003-04)	Target 2005-06	Target 2006-07	Target 2007-08
4.a iCORE Awards (Totals include "new")				
New Research Chairs, Industry Chairs and Professors	4	4	4	4
Total Active Research Chairs, Industry Chairs and Professors	17	23	27	29
New Graduate Student Scholarships	75	80	80	80
Total Active Graduate Student Scholarships	213	200	200	200
4.b Ratio of private and other public investments in ICT research to GOA investments in ICT research	1.95	1.95	1.95	1.95
4.c Investment in ICT research ($millions)				
• Non-GOA investment in ICT research ($millions)	$60.3	$47.0	$46.5	$46.5
• GOA investment in ICT research ($ millions)	$25.4	$24.1	$23.9	$23.9

Note:
Different time periods are used to determine the values in "4.b" and "4.c". These values are not directly comparable. Last Actuals for these measures are higher than the targets as a result of two high-value projects that end prior to 2005-06 and higher than expected leverage by iCORE of federal CFI and CRC programs.

Sources:
4.a iCORE Inc.
4.c iCORE Inc. and Strategic Investment Research Database.

GOAL FIVE

Accelerate innovation in the life sciences sector

What it means Life sciences is the growing understanding of living things and the use of that understanding to produce benefits for Albertans. Alberta is focusing on new initiatives in four priority areas of bioproducts, health innovation, platform technologies, and sustainable production and environmental technologies that will support and augment the agriculture, energy, environment, forestry and health sectors. By building excellence in life sciences research and development, Alberta will increase its economic returns, develop a renewable economy, improve quality of life, and create a more sustainable future for Albertans. *Growing Our Future: An Integrated Life Sciences Strategy for Alberta* is government's plan to grow Alberta's life sciences sector and is reflected in the strategies under this goal.

Key outcomes associated with this goal:

- A comprehensive approach to link and coordinate agriculture, environment, forestry, health and water research.
- A skilled workforce to support life sciences research.
- Internationally recognized research capabilities in areas of strategic importance.
- Research that contributes to the sustainable growth of the agriculture and food sector.
- Research that increases the global competitiveness and sustainability of Alberta's forestry sector.
- Life sciences development that harmonizes with Alberta values and goals.
- An environment that encourages innovation and collaborative networks in life sciences research, including international networks.

Strategies

5.1 Complete the work required to establish a Life Sciences Institute to guide life sciences research and innovation, building upon the directions recommended by Alberta Science and Research Authority.

5.2 Develop a water research strategy in support of *Water for Life: Alberta's Strategy for Sustainability* to consolidate, coordinate and align current investments, and guide future investments in water research.

5.3 Implement a life sciences strategic business plan to lead and align research and innovation priorities and investments with industry and research partners, including investigation of cross-disciplinary opportunities in the areas of agriculture, forestry, and health research, especially in the focus areas of: bioproducts; health innovation; sustainable production; environmental technologies; and platform technologies.

5.4 Work with partners to develop mechanisms to attract, train and retain high quality people in areas of opportunity for Alberta life sciences (e.g. bioproducts).

5.5 Strengthen coordination of efforts within Ministry research institutes and programs to support the Alberta prion science initiative.

5.6 Work with partners to significantly increase investments (private and public) in high quality agriculture, forestry and platform technology research and technology development through new programs and strategic research networks.

5.7 Continue to lead the implementation of the Alberta Agriculture Research and Innovation Strategic Framework through the Alberta Agricultural Research Institute, in partnership with the private sector, agricultural research and development performers, funders and stakeholders, and in alignment with the *Life Sciences Strategy*.

5.8 Support implementation of the Institute for Food and Agricultural Sciences Alberta, through participation and investment in specific activities of relevance to: the Alberta Agricultural Research Institute; Alberta Agriculture, Food and Rural Development; and the Life Sciences Strategy.

5.9 Continue to work with industry and other research partners through the Alberta Forestry Research Institute, to implement a long-term strategic plan aligned with the Life Sciences Strategy.

5.10 Develop a bioenergy strategy and implement demonstration projects for Alberta that support rural development through partnerships with the Research Institutes and a cross-government effort involving several ministries.

Performance Measures	Last Actual (2003-04)	Target 2005-06	Target 2006-07	Target 2007-08
5.a Ratio of private and other public investments in life sciences research to GOA investments in life sciences research	2.27	2.27	2.27	2.27
5.b Investment in life sciences research ($Millions)				
• Non-GOA Investment in life sciences research ($Millions)	$85.9	$51.3	$50.6	$50.6
• GOA investment in life sciences research ($Millions)	$30.5	$22.6	$22.3	$22.3

Note:
Different time periods are used to determine the values in "5.a" and "5.b". These values are not directly comparable. Last Actuals for these measures are higher than targets as a result of 5 large, high-leverage projects that end prior to 2005-06.

Source:
Innovation and Science, Strategic Investment Research Database.

CORPORATE ACTIVITIES

The following corporate divisions within the Ministry of Innovation and Science ensure resources are used effectively and efficiently to support Ministry goals and strategies:

- Policy and Strategic Planning
- Department Chief Information Officer
- Finance Division
- Communications
- Human Resource Services

TRACKING EMPLOYEE SATISFACTION/UNDERSTANDING OF CONTRIBUTION

The Ministry will continue to track employee satisfaction and understanding of their contribution to the Ministry Business Plan. Targets have been established for several measures, as indicated in the following table:

	Last Actual (2004-05)	Target 2005-06	Target 2006-07	Target 2007-08
Percentage of employees who know and understand how their work contributes to the achievement of their department business plan	79%	93%	100%	100%
Percentage of employees who are very/somewhat satisfied with their employment at Innovation and Science/Government of Alberta	88%	92%	95%	95%
Percentage of employees who agree that Innovation and Science provides the support they need to acquire or develop knowledge and skills in their current job	80%	82%	85%	85%
Percentage of employees indicating that their organization provides expected outcomes for their work	74%	80%	85%	85%
Percentage of employees indicating that their organization helps them know and understand how well they are performing	79%	82%	85%	85%

Source:
Government of Alberta 2004 Corporate Employee Survey: Results for Innovation and Science Employees, Research Innovations Inc.

CROSS-MINISTRY IMPACT

Ministry activities support the achievement of objectives and targets related to the following Cross-Ministry Policy Initiatives: Economic Development and Innovation Initiative; Leading in Learning and Skilled Workforce Initiative; Aboriginal Policy Initiative; Health Innovation and Wellness Initiative; and Alberta Children and Youth Initiative.

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2003-04 Actual	Comparable 2004-05 Budget	Comparable 2004-05 Forecast	2005-06 Estimates	2006-07 Target	2007-08 Target
REVENUE						
Internal Government Transfers	66,797	69,285	69,285	60,238	62,344	62,344
Transfers from Government of Canada	-	-	1,484	2,442	1,089	843
Investment Income	951	840	790	500	500	500
Other Revenue	34,204	35,744	38,099	47,450	54,400	60,139
MINISTRY REVENUE	101,952	105,869	109,658	110,630	118,333	123,826
EXPENSE						
Program						
Innovation Acceleration						
Technology Commercialization Initiatives	2,553	2,115	3,932	3,175	3,175	3,175
Innovation and Service Excellence Program	-	7,000	500	16,172	14,750	-
Emerging Opportunities	-	-	-	6,875	12,911	12,911
Alberta Research Council Inc.						
- Core Research Funding	27,135	27,082	26,812	26,000	26,780	26,780
- Contract Research	31,497	36,075	37,346	48,480	54,180	59,815
Innovation Capacity						
Research Capacity						
Alberta Science and Research Investment Program	36,092	32,005	37,170	22,453	21,914	21,914
Science Awareness	145	1,000	1,000	1,500	1,500	1,500
Energy Sector						
Energy Research Strategy	5,492	8,595	9,037	9,722	11,289	11,043
Climate Change	6,564	6,000	6,000	7,000	8,000	8,000
Life Sciences Sector						
Life Sciences	11,834	11,675	49,798	11,635	11,610	11,610
Information and Communications Technology (ICT) Sector						
ICT Investments	1,500	1,500	1,500	3,300	3,300	3,300
iCORE Inc. (Informatics Circle of Research Excellence)	9,737	10,110	10,110	10,620	10,620	10,620
Operations and Policy Implementation						
Innovation Acceleration	4,772	5,086	5,336	6,027	6,137	5,887
Innovation Capacity	4,382	5,213	5,213	5,342	5,342	5,342
Ministry Support Services	4,411	5,024	5,024	5,146	5,146	5,146
Contributions to the Alberta Heritage Science and Engineering Research Endowment Fund	21,430	-	-	-	-	-
MINISTRY EXPENSE *	167,544	158,480	198,778	183,447	196,654	187,043
Gain (Loss) on Disposal of Capital Assets	(699)	-	(5,800)	-	-	-
NET OPERATING RESULT	(66,291)	(52,611)	(94,920)	(72,817)	(78,321)	(63,217)

* Ministry Expense is equal to the single core business of the Ministry which is Innovation.

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2003-04 Actual	Comparable 2004-05 Budget	Comparable 2004-05 Forecast	2005-06 Estimates	2006-07 Target	2007-08 Target
Ministry Revenue	101,952	105,869	109,658	110,630	118,333	123,826
Inter-ministry consolidation adjustments	(68,220)	(72,451)	(71,498)	(63,094)	(65,786)	(66,429)
Consolidated Revenue	33,732	33,418	38,160	47,536	52,547	57,397
Ministry Program Expense	167,544	158,480	198,778	183,447	196,654	187,043
Inter-ministry consolidation adjustments	(22,853)	(3,166)	(2,213)	(2,856)	(3,442)	(4,085)
Consolidated Program Expense	**144,691**	**155,314**	**196,565**	**180,591**	**193,212**	**182,958**
Gain (Loss) on Disposal of Capital Assets	(699)	-	(5,800)	-	-	-
CONSOLIDATED NET OPERATING RESULT	(111,658)	(121,896)	(164,205)	(133,055)	(140,665)	(125,561)